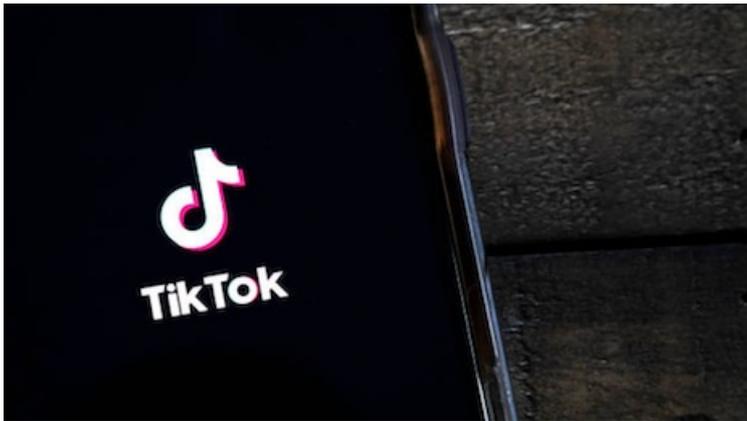


MARKETING

Brands cannot ignore litany of opportunities on TikTok

July 28, 2021



TikTok is one of the fastest-growing apps in the world. Image credit: Getty

By KATIE TAMOLA

With video-sharing platform TikTok, there appears to be something for everyone, and luxury brands would be remiss in neglecting to carve a space on the app for themselves.

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Users are flocking to the platform to meet a range of needs from aspirational to educational, leaving brands with ample opportunity to reach untapped audiences and grow revenue. In a press conference on July 27 previewing Launchmetrics' "[TikTok's Takeover: The Power of Creators and Content in 2021](#)" report, executives from the brand performance software company and the video app discussed the advantages for brands using the platform.

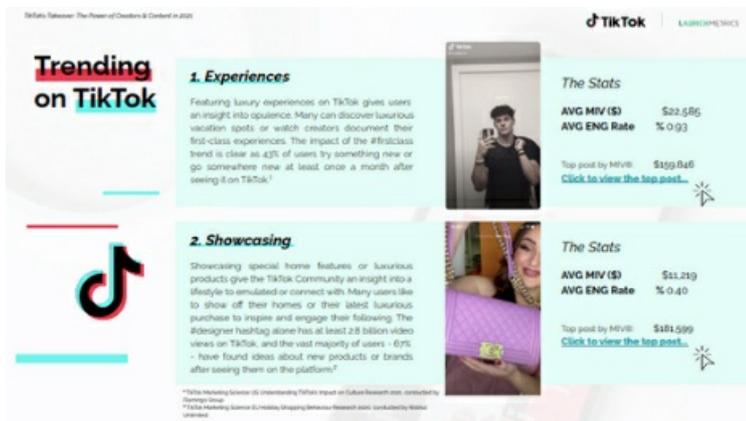
"Everyone's experience on TikTok is entirely different," said Kristina Karassoulis, head of luxury brand partnerships at [TikTok](#), London.

"When the conversation started a year ago, [people thought] well surely it's a young platform that's just full of dance videos' and it's taken a long time to say, actually, it's not anymore," she said. "This is a place where you can discover the next big trend and it's actually setting your brand more viral than the next article that you'll see in any magazine."

What are you waiting for?

When it comes to luxury brands' presence on TikTok, some might argue that the only way to operate on the platform incorrectly is to neglect it entirely.

Whether searching for an unboxing or product review, participating in a makeup challenge or finding themselves immersed in a content creator's luxurious daily routine, millions use TikTok daily. This offers brands ample opportunities to reach consumers with disparate tastes and video preferences.



From filming experiences to unboxing videos, brands can take several disparate approaches in reaching consumers on TikTok. Image credit: Launchmetrics

"I think the biggest mistake I've seen [from brands] are people that aren't getting on TikTok, so they're being left behind," Ms. Karassoulis said.

A major selling point for the app is that there is a multitude of approaches brands can take.

Four concepts currently trending on TikTok are experiences, showcasing, unboxing and tips and tricks.

With experiences, brands can give users an insight into what their luxury lifestyles entail, whether it is a picturesque vacation spot or a first-class stay. Forty-three percent of TikTok users report trying something or going somewhere new at least once a month after seeing it on TikTok.

Showcasing is a technique that invites users into the habits and lives of those who are living in luxury, with many featuring their homes or purchases to inspire and engage their followers. The beloved unboxing tactic generates user anticipation and excitement, as the hashtag has 12.6 billion video views.

Tips and tricks help consumers to share their newly learned hacks, fostering a sense of community and helping brands to grow their audiences. The trending #hacks has resulted in 10.6 billion video views.

[@tamumcpherson](#)Hi! I just wanted to share my @gucci "Stop Over St. Tropez" invitation with you. Watch as I unpack this special surprise. [SUNNY DAY - Matteo Rossanese](#)

TikTok user Tamu unboxing an invitation from Gucci

By encouraging these different approaches, brands and content creators can reach other users in more intimate and genuine ways. Brands can also partner with ambassadors such as celebrities, comedians or beauty influencers to help expand audiences and reach more consumers.

TikTok is one of the fastest-growing digital platforms globally, with brands and business continuing to gravitate towards the platform. In the first half of 2021, TikTok has amassed \$919.2 million in consumer spending.

The popular video-sharing platform can serve as a channel for brand storytelling and marketing, ultimately getting products in front of users of different demographics and tastes.

Luxury fashion brands have seen success on the platform as well.

Compared to the average Internet user, TikTok users are 92 percent more likely to buy goods from Louis Vuitton or Versace at 92 percent and 81 percent, respectively.

The platform's Creator Marketplace is also a beneficial tool for brands in identifying and forming effective partnerships. Through TikTok, brands can leverage creators and trends in conjunction with relatable storytelling, enabling users to feel part of a community as opposed to simply being targeted for sales.

[@the.navarose](#)Bringing the heat and hydration with my favorite shade from @yslbeauty 's Rogue Volupte Shine Burning Chilis Collection

Nava Rose is one of TikTok's top content creators and has worked with Gucci, Chanel and Yves Saint Laurent

Creators have the highest "Share of Voice" on the platform at 72 percent, followed by owned voices, celebrities, partners and media. These creators have generated millions of dollars in Media Impact Value (MIV).

Ms. Bring and Ms. Karassoulis discussed several popular content creators on TikTok and how these users have helped brands succeed.

"Nava Rose really exemplifies that concept today, the democratization of fashion," Ms. Bring said. "She's able to create content that is [for] both luxury and mass market, and she's able to speak to that really kind of fun relatability voice that consumers are looking for on the platform."

TikTok benefits for brands

Fashion and other luxury brands' interest in TikTok seems to be increasing, with more than one-third of surveyed professionals saying they plan to invest in the platform and 68.8 percent planning to include TikTok in future creator marketing activities.

Sixty-eight percent of professionals say their main reason for joining TikTok is to engage with new consumer groups, 25 percent say it is to stay on trend and 6 percent say it is to achieve their brand objectives through the app.

The reach of TikTok has not gone unnoticed.

Ads on TikTok outperform those on other channels, underscoring that the mobile app is a valuable resource for luxury brands looking to reach younger consumers.

According to a new report from neuroanalytics firm Neuro-Insight, TikTok's "For You" page encourages higher levels of relevancy and engagement for brands than sponsored content on other platforms. Ads on TikTok are also more memorable than those on television or other digital video ([see story](#)).

Luxury brands have an opportunity to build trust with consumers by incorporating TikTok into their marketing strategies.

TikTok has emerged as, not only a widely popular social media platform but as an authentic space due to the organic, unpolished nature of its content. During a virtual session at TInuiti's 2021 Social Media Advertising webinar in March 2021, industry experts discussed how the authenticity of TikTok impacts the customer journey, how brands should approach advertising on TikTok and examples of successful campaigns ([see story](#)).

With TikTok, the opportunities for brand expression and consumer connection are abundant.

"If you ever want to go buy any bag or any luxury good, go and see if it's available on TikTok first, and you'll be able to see an entire product preview of somebody actually talking about it," TikTok's Ms. Karassoulis said. "I heard more about the Chanel Boy bag on TikTok than I heard from Chanel themselves."